

August 31, 2001

Ex Parte

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW – Portals
Washington D.C. 20554

Re: *Application by Verizon Pennsylvania for Authorization to
Provide In-Region InterLATA Services in Pennsylvania, CC
Docket No. 01-138.*

Dear Ms Salas:

The purpose of this letter is to provide an update on a number of steps that Verizon is voluntarily implementing as a business matter to address certain concerns raised by parties during the course of the proceeding on Verizon's application to provide long distance in Pennsylvania.

Of course, Verizon previously demonstrated in its application in this proceeding that Verizon has satisfied the requirements of section 271 of the Act, and the Pennsylvania PUC unequivocally has agreed based on the results of its own extensive investigation. The voluntary measures that Verizon is implementing as a business matter are not in any way necessary to demonstrate compliance with section 271 or any other section of the Act. These voluntary steps do, however, directly address concerns that have been raised during the course of the proceeding before the Commission, and reflect Verizon's ongoing business efforts to ensure that its wholesale customers continue to receive excellent service in Pennsylvania. Verizon assumes the Commission is interested in being apprised of these ongoing efforts, and therefore is providing this letter which summarizes them.

1. Resold DSL on Resold Lines

Some commenters raised concerns about certain details of Verizon's proposal for rolling out Resold DSL on Resold Lines in Pennsylvania. As we previously explained, that roll out was structured to allow interested carriers to participate in a trial of the service, and to provide both Verizon and interested carriers an opportunity to obtain experience with this service prior to full commercial availability.

While only one carrier elected to participate, that trial nonetheless has provided sufficient experience that Verizon has modified its roll out proposal in two respects:

First, Verizon has accelerated the date when Resold DSL on Resold Lines is available in Pennsylvania. The commercial availability period will begin as soon as the revised tariff (which is being filed on one day's notice) is effective.

Second, Verizon has increased the number of orders that it will commit to process on a daily basis during the initial ramp-up period. Initially, Verizon has committed to process 100 orders per day. The number will increase to 200 orders per day on October 1, 2001, and Verizon will eliminate the limitation altogether on December 1, 2001. Of course, these limits do not cap the volume of orders that a reseller may submit. Rather, it is merely a limit of the number of orders that Verizon can commit to process on a daily basis; even if a larger number of orders were received on a given day, they would not be rejected but instead would simply be processed on subsequent days.

This ramp-up schedule is more than adequate to accommodate the anticipated demand for the new service. Of the ten resellers that attended a VADI informational workshop about the new service, only five actually have any resold lines in Pennsylvania. During July, these five resellers combined submitted approximately 125 orders for new resold lines. Moreover, in July these five resellers submitted, on average, approximately 40 orders per day for all types of resold voice lines (including feature changes and disconnects on resold lines). Even if these carriers submitted comparable monthly and daily order volumes for the DRL service, Verizon's commitment to process 100 orders in a single day is more than sufficient.

Both of these changes are reflected in Verizon's tariff for this new service, which is being filed today. Attachment 1 contains a copy of the tariff and transmittal letter.

2. Performance Assurance Plan

In response to concerns raised with respect to certain features of the Pennsylvania PAP, Verizon has voluntarily agreed to make two options available to CLECs in Pennsylvania. These changes are fully set out in an August 31, 2001 letter to the Pennsylvania PUC, which is Attachment 2 to this letter.

First, some parties have suggested that carriers should be able to elect between any remedy provisions in their existing interconnection agreements and the remedy provisions included in the PAP. To address this concern, for any carriers whose existing interconnection agreements include alternative remedy plans, Verizon will voluntarily allow those carriers who currently have such agreements in effect to make a one-time election between the remedy plan included in that interconnection agreement and the remedy plan in the PAP. Absent an election, the PAP would apply. On a going forward basis, Verizon continues to believe that it is critical, both from a standpoint of basic equity between carriers of all sizes and of administrability, to have a single remedy plan that applies equally to all carriers.

Second, a concern has been raised with a provision of the PAP that allows Verizon to pay remedies into escrow in certain limited circumstances where remedies are excused because that provision requires other carriers, if they believe the provision has not properly been invoked, to then petition the PUC for a determination that it does not apply. This provision can be invoked only upon the occurrence of certain force majeure or other specified events beyond Verizon's reasonable control (and in that respect parallels similar provisions in New York and Massachusetts).

Verizon has never invoked this provision in Pennsylvania, and does not currently envision circumstances arising that would necessitate invoking it prior to the time the PUC acts in its ongoing proceeding to review the PAP. Nonetheless, in the unlikely event that circumstances were to arise under which Verizon would be entitled to invoke the escrow provision during this interim period, Verizon voluntarily will itself undertake to petition the PUC for a declaration that the payment of remedies is properly excused under the terms of the PAP. Pending a decision on any such petition by the PUC, Verizon also will voluntarily provide to CLECs in the form of bill credits the amounts that it otherwise is entitled to place into escrow. If the PUC agrees with Verizon's petition, Verizon would reverse the bill credits. If the PUC disagrees, the CLECs would retain the credits.

3. Billing Issues

As Verizon explained at length in its application here, Verizon is providing wholesale bills to its carrier-customers in Pennsylvania that comply with the Commission's standards and we believe the full record here demonstrates that fact. Nonetheless, Verizon continues to work with our wholesale customers on a business basis to ensure that this remains the case with respect to previous billing issues.

First, Verizon has taken steps to ensure that various system changes it previously implemented continue to have the desired effect. To that end, Verizon has engaged PricewaterhouseCoopers to conduct additional testing of the most recent billing period to confirm that remains the case. Verizon also will share the results of that test with the Commission upon its completion during the week of September 4.

Second, to supplement its previous efforts, Verizon is undertaking a number of customer care initiatives in Pennsylvania with respect to billing. These ongoing business initiatives are described below.

Training. Verizon has already met with several CLECs at their locations to address billing questions and concerns, and also has conducted a variety of industry workshops including a June workshop focused on billing issues. Verizon will expand these efforts by conducting workshops to provide additional training to CLECs focused on electronic billing issues. Verizon will conduct follow up on-site visits on request for those CLECs who avail themselves of the workshops. Attachment 3 is a copy of the industry announcement informing CLECs of these workshops.

Late Payment Fees. To address historical billing issues, Verizon will waive late payment fees in specified circumstances for CLECs that currently have open claims for their 2001 bills. In particular, Verizon will waive late fees for carriers that have in writing disputed specific charges because they are alleged to be incorrect or because the carrier could not understand the charges, and will do so regardless of whether the claim is found to be correct. For example, if a CLEC disputed the loop charges on its bill because it thought it was being double charged, the late payment fee would be waived even if it turned out that the charges were valid and it was simply a case where the telephone numbers for some lines had inadvertently not been reflected on the bill. Verizon will not, however, waive late fees for CLECs that refused to pay all or part of their bills on the basis of unspecified and undocumented disputes.

System issues. To the extent that system issues caused certain incorrect charges to appear on previous BOS/BDT bills during 2001 (such as taxes or directory advertising charges), Verizon will proactively search the bills for carriers that receive the BOS/BDT to identify the errors and apply credits. Likewise, to the extent that incorrect loop or port rates have been reflected on the 2001 bills, Verizon has initiated a systematic effort to ensure that all rate tables are correct, to identify any errors and to apply retroactive adjustments where a lower rate should have applied. To the extent Verizon makes these corrections to prior months bills, Verizon will also waive the corresponding portions of any late fees attributable to the incorrect charges.

Assistance with prior period bills. Verizon also will provide added assistance to those CLECs who did not receive the BOS/BDT prior to the date that it was made available as a bill of record that should help them to review and analyze their bills. Specifically, upon request, Verizon will work cooperatively with these carriers to identify supporting data needed to understand the billing information on these bills and to the extent such information is still in Verizon's systems, to provide that information in a file format that can be input to a spreadsheet or database for analysis by the CLEC.

4. Billing Measures and Remedies

Some commenters (including Verizon) have noted that alternatives to the current electronic bill accuracy measure might be developed that would serve as a better measure of Verizon's billing performance. Toward that end, Verizon has voluntarily offered an alternative billing measurement and remedy plan that will be available pending a decision by the PUC in its ongoing proceeding to review the current PAP. The details of this measure and plan are included in the accompanying letter to the PUC (Attachment 2).

In Pennsylvania, the PAP currently contains two BOS/BDT billing measures (one for timeliness and the other for accuracy) that are each subject to "super" remedies. These remedies are paid on a per CLEC basis -- \$50,000 in the first month missed, \$75,000 for the second consecutive month missed, and \$100,000 for the third consecutive month missed. Because the parties have concerns about the Bill Accuracy measure, consensus has been reached in the New York Carrier-to-Carrier Working Group to eliminate the corresponding bill accuracy measures in New York and replace them with two new measures.

Likewise, to address concerns relating to the current electronic Bill Accuracy measure in the PAP, Verizon voluntarily will allow CLECs that have chosen the BOS/BDT as their bill of record to elect an alternative for the interim period until the PUC issues its decision in its ongoing review of the PAP. Specifically, CLECs that have elected the BOS/BDT as their bill of record may make a one time election between the current Bill Accuracy metric in the PAP (BI-3-03) and two new measures that are based on the consensus that has been reached in New York. Specifically, as in New York, these new measures will track the percentage of acknowledgements returned within 2 business days and the percentage of billing claims resolved within 28 days. In New York, however, because of their trial nature, the business rules that will apply to these new measures have not yet been defined in detail. To provide added certainty to all parties evaluating these new measures, therefore, Verizon has provided the detailed business rules that will apply during this interim period. These rules are included in Attachment 2. For carriers that elect this alternative, these new measures will apply to claims submitted with respect to bills for bill periods beginning on or after September 1, 2001.

In addition, for carriers that elect this alternative, the total remedy dollars that are at risk will be the same as the amount currently at risk for the existing BI-3-03 Billing Accuracy measure. The details of how the money will be divided between the two new measures and the circumstances in which the alternative remedies are available is more fully described in Verizon's August 31, 2001 letter to the PUC (Attachment 2).

The availability of this alternative measurement and remedy plan provides still further assurance that the improved BOS/BDT performance for the most recent periods will continue going forward.

Sincerely yours,

Gordon R. Evans

Attachments

cc: D. Attwood
M. Carey
B. Olson
R. Tanner
S. Pie



Verizon Advanced Data Inc.
600 Hidden Ridge, 2nd Floor
Irving, Texas 75038

August 31, 2001

Verizon Advanced Data Inc. Transmittal No. 19

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
Washington, DC 20554

Attention: Common Carrier Bureau

Dear Ms. Salas:

The accompanying tariff material issued on behalf of Verizon Advanced Data Inc. (VADI) and bearing Tariff F.C.C. No 1, requesting an effective date of September 1, 2001, is sent to you for filing in compliance with the requirements of the Communications Act of 1934, as amended. Revisions to the tariff pages are indicated on the following check sheet:

Verizon Advanced Data Inc. Tariff F.C.C. No. 1 - 18th Revised Page 1. This filing will extend the availability of Verizon DSL Over Resold Lines (DRL) to the former Bell Atlantic service area in Pennsylvania under authority of Special Permission No. 01-093 of the FCC waiving Section 61.58 of the Commission's rules to permit filing on not less than one day's notice and waiving Section 61.38 to permit such filing without cost support data. This service makes VADI's DSL service available for resale on those Pennsylvania lines where another carrier is providing resold voice service to the same customer premises over the same line.

As reflected in the proposed tariff, VADI will need to adhere to an initial ramp-up schedule for the number of orders that it can commit to process each day. VADI will process up to 100 orders for the new service until October 1, 2001. From October 1, 2001 through December 1, 2001, VADI will process up to 200 orders per day. After December 1, 2001, VADI will remove the order processing cap. Notwithstanding the ramp-up schedule, which applies only to the number of orders VADI can commit to process each day, carriers are free to submit as many orders as they like each day. VADI will process those orders in the order in which they are received. VADI expects that the initial ramp-up schedule is adequate to accommodate the anticipated demand for the new DRL service. Of the ten resellers that attended a VADI informational workshop about the new service, only five actually had any resale lines in Pennsylvania. During July, these five resellers submitted a total of ~~approximately 125~~approximately 125 orders for new resale lines. In addition, these five resellers submitted, on average, approximately 40 orders per day of all types on resold voice lines (including feature changes and disconnects). Even if these carriers submitted comparable monthly and daily order volumes for the DRL service, Verizon's commitment to process 100 orders in a single day would be more than sufficient.

The effectiveness of the proposed tariff revision is dependent upon the FCC's grant of Verizon's July 10, 2001, request for Special Temporary Authority to offer DRL in Pennsylvania.

The filing fee was transmitted electronically to Mellon Bank and the electronic audit code is shown on the accompanying Form 159. All correspondence and inquires concerning this filing should be addressed to me. My fax number is 972.719.0186.

Very truly yours,

(SIGNATURE ON FILE)

Donald R. Fowler
Director - Tariffs

DRF:mlg
Enclosures

VERIZON ADVANCED DATA INC.

Tariff F.C.C. No. 1
18th Revised Page 1
Cancels 17th Revised Page 1

COMMUNICATIONS SERVICES TARIFF

CHECK SHEET

All pages inclusive of this Tariff are effective as of the date shown at the bottom of the respective pages. Original and revised pages, as named below, comprise all changes from the original Tariff and are currently in effect as of the date on the bottom of this page.

<u>Page</u>	<u>Revision</u>	2	Original	3.2	4th Revised
Title	Original	3	1st Revised	3.3	7th Revised
1	18th Revised*	3.1	5th Revised	3.4	11th Revised*

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4	Original				
4.1	5th Revised	27	Original	58	Original
5	Original	28	1st Revised	59	Original
6	Original	28.1	Original	59.1	Original
7	Original	28.2	3rd Revised	60	1st Revised
7.1	Original	29	Original	61	Original
7.2	Original	29.1	Original	62	Original
8	1st Revised	30	Original	63	1st Revised
9	1st Revised	31	Original	64	1st Revised
9.1	Original	32	Original	65	1st Revised
10	Original	33	Original	66	1st Revised
11	Original	34	Original	67	1st Revised
12	Original	35	Original	68	2nd Revised
13	Original	36	Original	69	Original
14	Original	37	Original	70	Original
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16	Original	38.1	Original	72	Original
17	Original	39	Original	73	Original
18	3rd Revised	40	Original	74	Original
19	Original	41	Original	75	Original
20	Original	42	Original	76	Original
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22	1st Revised	44	Original	78	Original
23	Original	45	1st Revised	79	Original
24	Original	46	Original	80	Original
25	Original	47	1st Revised	81	1st Revised
26	Original	48	Original	82	1st Revised
		49	Original	83	1st Revised
		50	Original	84	1st Revised
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		52	Original	86	Original
		53	Original	87	Original
		54	Original	88	Original
		55	Original		
		56	Original		
		57	Original		

* Indicates pages included in this filing

(Issued under Transmittal No. 19)

Issued: August 31, 2001

Effective: September 1, 2001

by:

John S. Cullina
Secretary and General Counsel
Arlington, VA 22201

COMMUNICATIONS SERVICES TARIFF

CHECK SHEET (Continued)

<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>
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596	Original				
597	Original				
598	1st Revised				
599	Original				
600	2nd Revised				
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603	3rd Revised*				
604	1st Revised				

* Indicates pages included in this filing.

(Issued under Transmittal No. 19)

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Secretary and General Counsel
Arlington, VA 22201

COMMUNICATIONS SERVICES TARIFF

SECTION 5 - DESCRIPTION OF DATA SERVICES AND RATES (Continued)

PART III (Continued)

5.2 Verizon DSL Over Resold Lines

This service is offered over resold voice lines that terminate on end user premises in the following states:
Connecticut and Pennsylvania*.

(C)(X)

Verizon DSL Over Resold Lines (DRL) is available only to carriers that have an existing resold voice line and seek to engage in the resale of voice and data on a combined basis pursuant to 47 U.S.C. §251(c)(4). Consequently, for purposes of this service, the term "customer" is defined as a telecommunications carrier that resells voice services pursuant to 47 U.S.C. § 251(c)(4).

(T)(X)

5.2.1 Service Description

- A. Verizon DSL Over Resold Lines (DRL) is a data access service. It uses DSL technology to transport data over compatible copper facilities that are concurrently used to provide resold voice services to the same end user premises. Data traffic generated by a customer-provided modem is transported to the Verizon DRL Connection Point. From there, the traffic is transported to the end user's Information Service Provider (ISP) or content provider via other Company services.

- * In Pennsylvania, the DRL service initially is available in the Verizon-Pennsylvania, Inc. operating territory. In Pennsylvania, Company's processing of DRL orders will initially adhere to the following schedule: Company will process up to 100 DRL orders per day until October 1, 2001. From October 1, 2001 through December 1, 2001, Company will process up to 200 DRL orders per day. After December 1, 2001, there will be no cap on the number of orders Company will process. Notwithstanding the initial-ramp schedule for Company's internal processing of orders, there is no limit on the number of DRL orders carriers may submit. Company will process the DRL orders in the order in which they are received.

(N)(X)

(X) Issued under authority of special permission No. 01-093 of the F.C.C.

(N)(X)

(Issued under Transmittal No. 19)

Issued: August 31, 2001

Effective: September 1, 2001

by:

John S. Cullina
Secretary and General Counsel
Arlington, VA 22201

COMMUNICATIONS SERVICES TARIFF

SECTION 5 - DESCRIPTION OF DATA SERVICES AND RATES (Continued)

PART III (Continued)

5.2 Verizon DSL Over Resold Lines (Continued)

5.2.6 Rates and Charges

A. Month-to-Month*

Monthly Rate

Verizon DRL 768K/128K	\$ 39.95
Verizon DRL 1.5M/128K	43.95
Verizon DRL 1.5M/384K	48.95
Verizon DRL 7.1M/768K	109.95
Verizon DRL 384K/384K	46.00
Verizon DRL 768K/768K	80.00

B. One-Year Term Plan

Verizon DRL 768K/128K	\$ 32.50
Verizon DRL 1.5M/128K	36.50
Verizon DRL 1.5M/384K	41.50
Verizon DRL 7.1M/768K	102.95
Verizon DRL 384K/384K	39.00
Verizon DRL 768K/768K	68.00

* Rates are subject to any appropriate wholesale discount established in the relevant state pursuant to 47 U.S.C. §251(c)(4). The applicable wholesale discount rates are as follows:

Connecticut	21.70%	
Verizon-Pennsylvania, Inc.	20.69%	(N)(X)

(X) Issued under authority of special permission No. 01-093 of the F.C.C.

(Issued under Transmittal No. 19)

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John S. Cullina
Secretary and General Counsel
Arlington, VA 22201

COMMUNICATIONS SERVICES TARIFF

SECTION 5 - DESCRIPTION OF DATA SERVICES AND RATES (Continued)

PART III (Continued)

5.2 Verizon DSL Over Resold Lines (Continued)

5.2.6 Rates and Charges (Continued)

D. Non-Recurring Charges*

Monthly Rate

1.	Service Activation	\$60.00
2.	ISP/Content Provider Change	60.00
3.	Speed Change - Downward	35.00
4.	Speed Change - Upward	.00
5.	Software Change#	6.00

- * Rates are subject to any appropriate wholesale discount established in the relevant state pursuant to 47 U.S.C. §251(c)(4) only if the corresponding monthly rate in the month-to-month offering is subject to a Section 251(c)(4) discount. The applicable wholesale discount rates are as follows:

Connecticut	21.70%
Verizon-Pennsylvania, Inc.	20.69%

(N)(X)

- # For existing Customers, the software change fee shall not be assessed for one year for any DS3s of Customers subscribing to the Five-Year Volume and Term Discount Plan offering 5E which are in service as of the effective date of this Tariff.

(X) Issued under authority of special permission No. 01-093 of the F.C.C.

Issued: August 31, 2001

Effective: September 1, 2001

by:

John S. Cullina
Secretary and General Counsel
Arlington, VA 22201

August 31, 2001

VIA UPS OVERNIGHT EXPRESS MAIL

Mr. James J. McNulty, Secretary
PA Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Consultative Report on Application of Verizon Pennsylvania Inc. for
FCC Authorization to Provide In-Region InterLATA Service in
Pennsylvania, Docket No. M-00001435

Dear Mr. McNulty:

The purpose of this letter is to outline a number of steps that Verizon is voluntarily implementing to address certain concerns raised by parties at the FCC during the course of the proceeding on Verizon's application to provide long distance in Pennsylvania.

Of course, this Commission previously concluded that Verizon has satisfied the requirements of section 271 of the Act, and these voluntary steps are not in any way necessary to demonstrate compliance with that or any other section of the Act. These voluntary steps do, however, directly address concerns that have been raised during the course of the FCC proceeding, and reflect our ongoing efforts to ensure that our wholesale customers continue to receive excellent service.

First, some parties have expressed concern that carriers should be able to elect between any remedy provisions in their existing interconnection agreements and the remedy provision included in the Performance Assurance Plan (PAP) adopted by this Commission. To address this concern, for any carriers with interconnection agreements in effect as of the date of this letter, Verizon will voluntarily allow those carriers to make a one-time election between the remedy plan included in their existing interconnection agreement and the remedies provided by the PAP. Absent an election, and after expiration of the initial term of the existing agreement, the PAP would apply. On a going forward basis, Verizon continues to believe (as, we believe, does this Commission) that it is critical, both from a standpoint of basic equity between carriers of all sizes and of administrability, to have a single remedy plan (the Performance Assurance Plan adopted by the Commission) that applies equally to all carriers.

Second, a concern has been raised with a provision of the PAP that allows Verizon to pay remedies into escrow in certain limited circumstances where remedies would be excused, because that provision requires other carriers, if they believe the provision has not properly been invoked, to petition this Commission for a determination that the circumstances do not excuse the payment of remedies. This provision can be invoked only upon the occurrence of certain force majeure or other specified events beyond Verizon's reasonable control (and in that respect parallels similar provisions in New York and Massachusetts).

Verizon has never invoked the escrow provision in Pennsylvania, and does not currently envision circumstances arising that would necessitate invoking it prior to the time this Commission acts in its ongoing proceeding to review the PAP. Nonetheless, in the unlikely event that circumstances were to arise under which Verizon would be entitled to invoke the provision during this interim period, Verizon voluntarily will itself undertake to petition the Commission for a declaration that the payment of remedies is properly excused under the terms of the PAP. Pending a decision on any such petition by this Commission, Verizon also will voluntarily provide to CLECs, in the form of bill credits, the amounts that it otherwise would be entitled to place into escrow. If the Commission agrees with Verizon's petition, Verizon would reverse the bill credits. If the Commission disagrees, the CLECs would retain the credits.

Third, a number of parties have expressed concerns about the current Bill Accuracy metric that is included in the Pennsylvania PAP (BI-3), and that subjects the separately reported results for the BOS/BDT electronic bill to the payment of "super remedies." Indeed, in the ongoing Carrier-to-Carrier Working Group in New York, consensus has been reached among the CLECs and Verizon that the corresponding metrics should be eliminated in New York. To replace them, the parties have agreed to adopt two new measurements for a six month trial period, one of which would measure the timeliness of acknowledging the receipt of billing claims and the second of which would measure the timeliness of resolving billing claims. Once approved by the New York PSC, the new measurements will be reported for informational purposes (and not be included in the New York PAP).

To address concerns relating to the current electronic Bill Accuracy measure in the PAP, Verizon voluntarily will allow CLECs that have chosen the BOS/BDT as their bill of record to elect an alternative for the interim period until the Commission issues its decision in its ongoing review of the PAP. Specifically, CLECs that have elected the BOS/BDT as their bill of record may make a one time election between the current Bill Accuracy metric in the PAP (BI-3-03) and two new measures that are based on the consensus that has been reached in New York. Specifically, as in New York, these new measures will track the percentage of acknowledgements returned within 2 business days and the percentage of billing claims resolved within 28 days. In New York, however, because of their trial nature, the business rules that will apply to these new measures have not yet been defined in detail. To provide added certainty to all parties evaluating these new measures, therefore, Verizon is providing here the detailed business rules that will apply during this interim period. See Attachment 1. For carriers that elect this alternative, these new measures will apply to claims submitted with respect to bills for bill periods beginning on or after September 1, 2001.

In addition, for carriers that elect this alternative, the total remedy dollars that are at risk will be the same as the amount currently at risk for the existing BI-3-03 Bill Accuracy metric. Specifically, the dollar amounts at risk under the "super remedies" applicable to the existing BI-3-03 metric are \$50,000 per CLEC for the first month missed, \$75,000 per CLEC for the second consecutive month missed, and \$100,000 per CLEC for the third consecutive month missed. In order to ensure that the total dollars at risk under the new alternative is the same as under the current metric, these amounts will be divided equally between the two new measures that will replace BI-3-03. For example, if Verizon's performance were to fall below the specified standard for one of these new measures for a single month, the amount payable would be \$25,000 per CLEC that had elected to participate in the new measures. If Verizon's performance were to fall below the specified standards for both new measures for one month, the amount payable would be \$50,000 per CLEC that had elected to participate in the new measures. And because performance will be measured on an aggregate basis for all CLECs that have elected the BOS/BDT as their bill of record, each CLEC that elects this new option will receive remedy payments if Verizon's performance falls below the specified standard, whether or not performance for the specific CLEC falls below that standard.

As with any new measure or remedy provision, there is always the risk that this new alternative could be subject to gaming by CLECs, either by finding a way to skew the results through their own actions or to avoid paying their bill and potentially get remedy dollars back to boot. Consequently, this voluntary new alternative is offered subject to the same provision as is in the current PAP that excuses the payment of remedies in the event of certain specified events that are outside of Verizon's control, including actions of CLECs. In the event that Verizon needs to invoke that provision, it will follow the procedures outlined above with respect to the PAP generally and obtain a determination from the Commission that the provision applies. Likewise, this new alternative is offered subject to the condition that a CLEC electing this alternative is not eligible to receive remedies for any period during which it is more than 30 days in arrears on any undisputed portion of its bills. For these purposes, a portion of a bill will be deemed disputed if the affected CLEC has submitted a claim consistent with the business rules included in Attachment 1 that has not been resolved or has been resolved in its favor.

Any CLECs that wish to make either of the one time elections outlined in this letter must do so in writing to their account managers prior to September 19.

Sincerely,

Julia A. Conover

JAC/meb

Attachs.

cc: Via UPS Overnight Express Mail
Chairman Glenn Thomas
Vice Chairman Robert Bloom
Commissioner Aaron Wilson
Commissioner Terrence Fitzpatrick
Via Email & UPS Overnight Express Mail
The Honorable Wayne Weismandel
The Honorable Michael Schnierle
Maryanne Martin
Gary Wagner
Louise Fink Smith
Bohdan Pankiw
Attached Certificate of Service

BI – 3 Billing Accuracy & Claims Processing

Definition:

This metric measures the promptness with which Verizon acknowledges and resolves CLEC billing adjustment claims processed in the Verizon Bill Claim Center. It applies to CLEC claims with regard to BOS BDT bills where the CLEC has selected the BOS BDT as the bill of record. (If a CLEC has some accounts for which the bill of record is the BOS BDT and others for which the bill of record is another format, only claims related to the BOS BDT will be reflected in this measure.) This metric applies to CLEC claims that are submitted within 60 calendar days of the bill date and that are related to bill periods beginning on or after September 1, 2001.

- Business hours for receipt of billing claims are Monday through Friday, 8:00 am to 5:00 pm Eastern Time, excluding Verizon Holidays;
- CLEC claims for billing errors received outside these business hours shall be considered received at 8:00 am Eastern Time on the first business day thereafter.
- Day of receipt shall be considered Day “0” for computing acknowledgement performance.
- Day of acknowledgement of a billing claim shall be considered Day “0” for computing resolution performance. If the 28th calendar day falls on a weekend or Verizon Holiday, resolution will be considered timely if returned on the next business day.
- Claims must be submitted by e-mail to Billing.Tisoc@Verizon.com using the attached form or another format jointly agreed upon between Verizon and the CLEC. All requested information must be provided, whichever format is used.
- Claims that are the subject of this metric are those with the following reason codes from the attached form: 3PB (disputed usage from an Interexchange Carrier on the Verizon bill), DA (directory advertising), LIST (incorrect billing for listings), LPC (late payment charges), NRC (non-recurring charges), NRES (non-resellable products/services), RATES (customer claim that rates on the bill are incorrect), RC (recurring charges), RSD (resale discount), TAX (taxes incorrectly billed to account), or USG (usage rates), as described on the attached form.
- Acknowledgement means the transmission of a claim number or transmission of a message informing the CLEC that the claim cannot be processed (for example, if additional detail or information is needed) by e-mail to the e-mail address from which the CLEC sent the claim.
- A claim is considered “resolved” when Verizon transmits an e-mail to the e-mail address from which the CLEC sent the claim and that either 1) denies the claim and provides a reason; or 2) grants the claim and informs the CLEC that a credit will be provided; or 3) denies the claim in part and grants the claim in part. A claim will be considered “granted” and, therefore, “resolved” whether or not the e-mail provides the specific amount of the credit to be issued.
- If, after a claim has been acknowledged, Verizon determines that additional information is needed to complete its investigation, Verizon will send the CLEC an e-mail requesting the additional information, and the time for resolution will be extended by the number of days between the e-mail request and the CLEC’s response providing the additional information.
- For each master billing account number (BAN), each reason code submitted by a CLEC will count as a separate claim.

Exclusions:

- CLEC claims for incentive regulation credits, credits for performance remedies, out of service, and special promotional credits.
- CLEC claims that involve service order inquiries or account structure, or that are matters of contract or tariff interpretation. Service order inquiries include, but are not limited to, those on

the attached form that request PON numbers. Account structure inquiries include, but are not limited to, those for independent bills, summary bill transfers, and unknown lines.

- CLEC claims related to bill media or technical issues.
- CLEC claims that are in fact for items enumerated above as excluded, however designated.

Performance Standard:

- BI-3-04: 95% within two business days after receipt.
- BI-3-05: 95% within 28 calendar days after acknowledgement. If the 28th calendar day falls on a weekend or Verizon Holiday, resolution will be considered timely if transmitted on the next business day.
- In case of small sample size, the attached allowable miss table controls.

Report Dimensions:

Company: <ul style="list-style-type: none">• CLEC Aggregate	Geography: <ul style="list-style-type: none">• Pennsylvania (fBA)
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Sub-Metrics:

BI-3-04	% CLEC Billing Claims Acknowledged Within Two Business Days	
Calculation	Numerator	Denominator
	Number of billing adjustment claims acknowledged during the month that are acknowledged within two business days after receipt.	Total number of billing adjustment claims acknowledged during the month.
BI-3-045	% CLEC Billing Claims Resolved Within 28 Calendar Days After Acknowledgement	
Calculation	Numerator	Denominator
	Number of billing adjustment claims resolved during the month that are resolved within 28 calendar days after acknowledgement.	Total number of billing adjustment claims resolved during the month.

Allowable Misses for Small Sample Sizes

- If fewer than 10 observations, no remedies are due that month.
- If between 10 and 20 observations, find number of observations in Sample Size Column.
- If the number of misses falls under the “Allowed Misses” column, then remedies are not due for that month’s performance.

95% Standard:

Sample Size	Number of Allowed Misses
10	1
11	1
12	1
13	1
14	1
15	1
16	1
17	1
18	1
19	1
20	NA

Dear

During the 4Q01, Verizon will sponsor a series of billing workshops for CLECs (Resellers and Facilities Based Carriers) doing business in the Commonwealth of Pennsylvania. While participation will not be restricted, the target audience who will benefit most are the direct recipients of Verizon billing media. Four full day billing workshops will be offered and CLECs may register for one or all at their own discretion.

- ❖ I. Product Overviews
- ❖ II. Resale and UNE Usage
- ❖ III. Resale and UNE DUF to Bill Verification
- ❖ IV. Billing Data Tape

Product Overview Workshop:

(The maximum number of attendees for this workshop is 15 people)

This workshop will provide an overview of our resale, loop and platform products and their related billing elements and will address how and where these charges appear on the Verizon bill:

- ❖ Non-recurring charges
- ❖ Monthly recurring charges
- ❖ Usage charges
- ❖ Surcharges

Resale and UNE Usage Workshop:

(The maximum number of attendees for this workshop is 15 people)

This workshop provides an overview of the CRIS/CABS billing systems with respect to billable usage. A detailed review of the UNE Call Scenarios and associated EMI formatted DUF records will be conducted. Also, included in this workshop will be an overview of the Resale Measured, Message and Flat Rate services and the impact each has on the DUF and bill. At the conclusion, there will be time allotted for CLECs to ask specific questions of the Verizon staff.

Resale and UNE DUF to Bill Verification Workshop:

(The maximum number of attendees for this workshop is 15 people)

This workshop provides a detailed overview of how the CLEC can validate their Verizon Resale and UNE DUFs to their respective Verizon bills. The process will be demonstrated by using DUF records and bills. A prerequisite to this workshop is the "Resale and UNE Usage" workshop. At the conclusion, there will be time allotted for CLECs to ask specific questions of the Verizon staff.

Billing Data Tape Workshop:

(The maximum number of attendees for this workshop is 15 people)

This workshop will provide an overview of the Billing Output Specification for Billing Data Tape (BOS/BDT). In addition to the format and content of the billing data tape, this tutorial will address the level of summarization and the documented differences list. In addition, the VZ staff will share responses to Frequently Asked Questions concerning the BDT and will provide an open forum for CLECs to ask specific questions.

Registration:

Seats will be granted on a first come, first serve basis. Additional sessions will be scheduled until all respondents can be accommodated. To facilitate planning with respect to the number of sessions required, please complete and return the attached Registration Form(s) by September 14, 2001. Sessions will be scheduled as soon as practicable depending on the response received. Your attendance at these sessions is obviously discretionary. Verizon, however, will not guarantee requests for on-site support unless a CLEC has participated in all four of the sessions.

Sincerely,

Attachment



Wholesale Billing Workshops
REGISTRATION FORM

Please COMPLETE and RETURN this form ASAP via email to patricia.j.dooley@verizon.com or fax to 914-747-1055

Name: _____

Title: _____

Company: _____

Street: _____

City: _____ **State:** _____ **Zip:** _____

Phone: _____ **Fax:** _____

Email: _____

Please check the sessions you plan to attend. Information regarding dates and location for each session will be provided shortly:

- ☐ Product Overview Workshop
- ☐ Resale and UNE Usage Workshop
- ☐ Resale and UNE DUF to Bill Verification Workshop
- ☐ Billing Data Tape Workshop